

HISTORY

Indiana's Economic Development for a Growing Economy (EDGE) tax credit program provides the state of Indiana with a tool for competing with other states in fostering new employment opportunities. The EDGE tax credit program was signed into law on Feb. 28, 1994.

HOW IT WORKS

EDGE is a refundable tax credit against a company's Indiana state tax liability as defined in **IC 6-3.1-13-9**. EDGE can be awarded for up to 10 years and up to 100% of projected withholdings attributable to the company's Indiana project. The EDGE statute (**IC 6-3.1-13**) requires that the company maintain operations at the project site for at least two times the number of years of the tax credit award. The company must demonstrate that receiving the tax credit was instrumental in its location decision. The EDGE statute is available on the Access Indiana Web site at <http://www.state.in.us/>.



ELIGIBLE COMPANIES

The following types of companies may be considered for EDGE tax credits:

- *Manufacturing companies*
- *Regional headquarters*
- *Research and development facilities*
- *Distribution centers*
- *Other companies in other industries deemed eligible by the Indiana Department of Commerce*

Companies must make a significant capital investment and create a substantial number of jobs to be eligible. The local community affected by the project must provide significant local incentives.

ELIGIBLE EMPLOYEES

EDGE is based on the payroll of the company's net new full-time positions created as a result of the business expansion or relocation. Only Indiana resident employees will be eligible. The basis of the credit is the state payroll taxes withheld for those net new positions, effectively 3.09% of gross payroll. The average wage for the positions must *meet or exceed the county average*, which can be obtained from the Economic Development Division. Contract and temporary workers will not be eligible, nor will employees being shifted from one line to another or one Indiana location to another.



THE PROCESS

The company will work with the Economic Development Division of the Indiana Department of Commerce to determine eligibility. The company must provide the Economic Development Division detailed information on the proposed project, such as amount of investment, payroll and number of net new full-time positions. The amount of the credit is determined by the Indiana Department of Commerce and must be approved by the seven-member EDGE Board. Upon approval by the Board, an agreement will be executed between the company and the State. Information provided annually by the company will trigger the release of credits.

FOR MORE INFORMATION

Interested companies should contact:

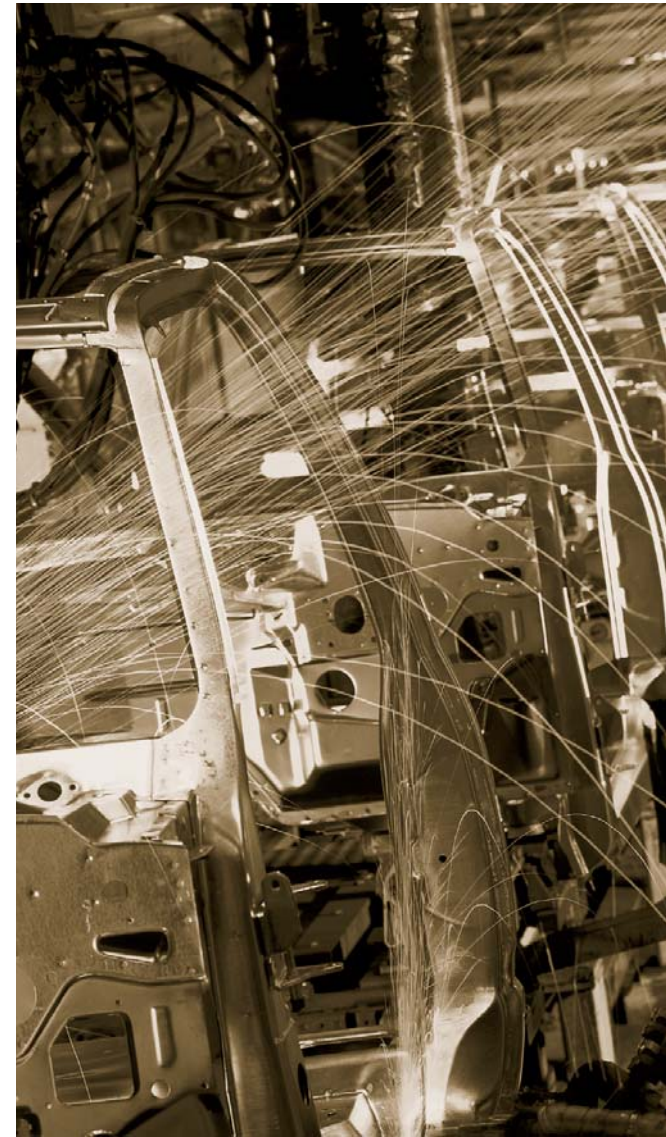
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EDGE

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